

# In fact

VOL. I, No. 6 68 JULY 29, 1940

For The Millions Who Want a Free Press

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Entered as second-class matter May 16, 1940, at the post office at Long Island City, New York, under the Act of March 3, 1879.

Published every two weeks and copyright, 1940, in the U. S. A., by IN FACT, Inc., Chatham-Phenix Building, Long Island City, New York. Special Introductory offer 25 cents for ten months (twenty-two issues). 30 cents a year. Foreign, \$1.00 a year.

## The Puzzle of the Burma Road

The keen anger expressed by Secretary Hull over Great Britain's "temporary" agreement to close the Burma Road emphasizes the importance attached by the State Department to the latest British appeasement. According to IN FACT's Washington correspondents, the incident punctuates the race between Great Britain and the U. S. to unload responsibility on to each other's shoulders—with the U. S. ending up in second place.

The true meaning of the Far Eastern appeasement, we are informed, becomes clear only when the "disappearance" of the American Pacific fleet several weeks ago—unexplained until now—is called to mind. The fleet, it will be remembered, faded out of view for several days; it was rumored to be en route to the Panama Canal. Later, it turned up again in Hawaiian waters; the official version was that it had been on secret maneuvers to determine ability to get out of the Pacific.

In other words, the American fleet threatened to leave the Pacific, in which case the British fleet would have been left to act as Far Eastern policeman. In defending British interests, the English fleet would at the same time, whether it liked it or not, defend American interests, since both nations are equally concerned with the maintenance of the status quo in the Orient.

England has now appeased Japan by closing the Burma Road for three months. What did England get? Among other things, an agreement whereby it could withdraw its fleet to aid in the defense of England? Which would also mean that the American fleet is frozen in the Pacific, forced to guard American—and willy nilly, British—interests?

Washington's rage can be understood. What it threatened to do, London did. America is the goat. The honeymoon with Great Britain, engendered by Germany in Europe, does not lessen antagonisms in the Orient.

Watch the headlines, IN FACT's correspondents warn, for reports that detachments of Britain's Far Eastern fleet have been spotted far away from Singapore. And at least some implications of the appeasement will be clear.

## Havana Pipeline

The appointment of Count Nicolas del Rivero, owner and publisher of Cuba's oldest, most conservative daily, "Diario de la Marina" to serve as press chief at the Havana hemisphere conference is cause for serious alarm in the eyes of The Hemisphere, authoritative publication dealing with the Latin American scene. The closed sessions will exclude observers from Axis countries. But now with Count Rivero presiding over the press, the German and Italian scouts will be informed in detail of even the most secret proceedings of the Conference.

IN FACT's correspondent sees American appeasement forces gaining ground in Havana. More and more is heard of the "quarter-sphere" theory which states that U. S. military resources are inadequate to police the entire hemisphere, but can effectively take care of only its northwest quarter—scarcely farther than Venezuela, Colombia, and Ecuador. Accordingly, Chile, Argentina, and, to a degree, Brazil will be abandoned economically and militarily to their own devices—and to their own dealings with the Nazis.

Whereas this approach is as yet not officially sanctioned in Washington, the bickerings and disunity that the conference will sharpen is expected to lend power to its advocates. Most observers expect U. S. to concentrate its attention on the defense of the Panama Canal, and to reach some agreement of military "cooperation" with Central American and Caribbean countries, especially Mexico and Cuba.

## The Mexican Election

The American press loudly proclaimed that the Mexican elections indicated the overwhelming popularity of the reactionary Almazan faction; and that Almazan's "victory" might be stolen in the process of ballot counting by election officials controlled by the Cardenas government.

IN FACT learns that all reporters in Mexico knew the following facts:

1. There was no overwhelming popularity for Almazan. The reason his

## Exclusive!

IN FACT gives the details for the information of its readers on the organization calling itself Union Now. Clarence Streit, author of the book by that name, is active in the New York offices. Union Now recently placed full-page advertisements in leading New York papers calling for unity between the United States and Great Britain.

The advertisements were paid for by individuals who stated that they were filing their names with the U. S. State Department. As yet, IN FACT has not been able to identify the list of donors who contributed to Union Now. We expect to do so. In that event, we will publish their names for the information of our readers.

A source close to the Streit group has informed IN FACT that Union Now was desperately short of funds before it experienced the windfall. The \$8,000 gift was made because Union Now was considered, our informant states, "the only organization with ability to lead the U. S. into war." Roger Baldwin, head of the American Civil Liberties Union, formerly close to Union Now, has broken with them as their stand is opposite to his pacifist views.

The continuance of Union Now "is dependent on the U. S. entering the war," says our informant. But recently the Streit group has had a change of heart. If it is to be successful, it must steer clear of the biggest financiers; it must get contributions from other than "special interests."

Union Now at present "would not touch money from the DuPonts, even if it were forthcoming, with a ten-foot pole."

## Fascism on the Times

LAWRENCE Fernsworth, correspondent in Valencia during the Spanish Fascist rebellion, complained to Managing Editor James of the New York Times that his messages were being sabotaged by a certain Archambault in the Paris office. He made other complaints of dirty journalistic ethics. James replied, "Resignation accepted," although Fernsworth had not resigned.

Today G. H. Archambault, whom Fernsworth called a French Fascist, is cabling pro-French Fascist news. The Times carried (July 15) a glowing tribute to Petain and the "new order" in France. Other newspapers call the regime Fascism; the Times correspondent spoke of it as "the new life." Other Times correspondents report the abolition of the right to strike, imprisonment of Jews, establishment of the Italian fascist system and abolition of "liberty, equality, fraternity." But the Times fires liberals, retains fascists.

followers controlled the streets of Mexico City on election day was because the Mexican Confederation of Labor (CTM) ordered its members not to yield to Almazan provocation that might lead to bloodshed and even serve as an excuse for civil war. The progressives stayed at home.

2. Almazan had no chance of winning the election, did not win, and therefore could not be counted out. Of the 3,500,000 voters, three million were pledged to the labor unions and the official government party which supported Camacho. Almazan claimed victory to prepare the grounds for subsequently claiming that he had been robbed of votes and thereby to justify either a revolt or the establishment of a rump congress in Monterey controlled by him.

IN FACT does not know whether Mexican correspondents faked the stories they sent, or if the American press faked the news in editorial offices. We do not know whether the correspondents cognizant of the second set of above facts sent out the first set of lies. We do know, however, that the American press generally misrepresented the election.

## **We Built Nazi Air Power**

The United States, along with Great Britain, has been accused of aiding the growth of Nazi military power before the war broke out. The charge in the case of Britain has been verified often; in the case of this country, evidence was more difficult to collect.

IN FACT submits the following testimony from the Hearings before the Committee on Naval Affairs before the U. S. Senate on the nomination of William F. Knox to be Secretary of the Navy (July 2, 1940) as interesting material to support the charge. The press generally "overlooked" this testimony.

Sen. Homer T. Bone (Washington). "I am pointing out that in 1934 and 1935 Hitler was supplied with hundreds of the finest airplane engines manufactured in this country."

Col. Knox. "I know they bought our engines; yes."

Bone. "They bought hundreds of them."

Knox. "I saw them in Germany myself."

Bone. "Many were sold through the Bavarian Motor Works."

Knox. "I saw whole trainloads of them."

Bone. "Not only that, but patent rights, building rights in the engines were sold freely by the American manufacturers to the German Government, with the consent of this Government."

Knox. "I did not know about that."

Bone. "Is there any doubt in your mind about that?"

Knox. "I did not know about the consent of the Government. I know the engines were sold."

Bone. "You were aware, of course, that under the Versailles Treaty, Germany was forbidden to rearm in that fashion?"

Knox. "Yes."

Bone. "So we cannot be absolved from our responsibility in making Hitler a menace in the air. I merely want to make that plain."

## **Public Opinion and Big Business**

Wendell Willkie is a trustee of the Edison Electric Institute, formed by the same men and utilities who owned and controlled the National Electric Light Association. The N.E.L.A. was exposed by a congressional committee for spending \$25,000,000 a year corrupting the American newspapers, magazines, radio programs and even college professors.

The foregoing facts may be placed alongside a Gallup's Institute report that the "feeling against big business that was current five or six years ago has been substantially altered" and that the rise of Willkie in popularity "furnishes striking evidence of a growing respect throughout the country for practical businessmen as national leaders."

If the Gallup report is true, and there is no reason to doubt it, it is another proof that the press, in manufacturing the public opinion which its owners, bankers, advertisers want manufactured, has been successful. The public utility propaganda bureau of which Willkie is now a trustee aimed at changing the political and economic thinking of the American people. One of its main objectives was to "pin the red label" on government or municipal ownership of light and power plants. It lied about the success of public ownership and about the high cost of privately manufactured current.

The Washington Newsletter, "Space & Time," reported June 26 that the newspaper fraternity was suppressing the fact that Willkie Commonwealth & Southern "is a part of the Morgan empire and that Willkie himself must therefore owe his entire business success to the (Morgan) concern."

The American public will have to read the liberal independent weeklies, newsletters and that 5 or 6% of the anti-Willkie press to get the facts about the present campaign. There will be a flood of political poison, very few drops of antidote. But it was the same in 1932 and 1936, and the press went down to inglorious defeat—to such a defeat that 27% of the public, or 30,000,000, are indicated in public opinion polls as believing the American press is dishonest.

## **What the Press Conceals**

UNDER the heading "What the Newspapers Are Hiding," the National Emergency Conference (now the "National Federation for Constitutional Liberties") sent the readers of its legislative letter a list of seven stories the newspapers failed to print because "of the apparent concerted attempt by the press to minimize and even to clog all publicity about the nationwide opposition to the anti-alien bills and the rising tide of opposition to the Dies Committee." Summarized:

1. Every large newspaper except one suppressed the story of the petition to discontinue Dies Committee signed by 100 outstanding Americans, including 6 college presidents.

2. Ninety-eight per cent of the press ignored a refutation of an attack on aliens written by the American Committee for Democracy and Intellectual Freedom in reply to slanders of the New York Chamber of Commerce.

3. Sixty-two prominent Americans issued a "Defense of the Bill of Rights"; 2 or 3 papers used it.

4. The Chicago Tribune, Chicago Daily News, etc., suppressed the story of the meeting protesting anti-alien bills which packed Orchestra Hall.

5. Scores of CIO, AFL and other union protests against Dies Committee received no mention in press.

6. State and city conferences against anti-alien bills with delegates representing millions of Americans participating, were ignored by all but about 2% of the press.

7. The American Bar Association's committee on the Bill of Rights warned the nation against certain congressional actions; a few papers played the story down, the majority suppressed it.

## **300 U. S. Writers Suppressed**

THE U. S. press suppressed a declaration against American entry into the European war signed by more than 300 writers. At the same time it published millions of words and thousands of statements by unimportant people, all more or less seeking to involve us in war.

Names make news. But George Ade, Martha Dodd, Theodore Dreiser, Vardis Fisher, Rockwell Kent, Arthur Kober, Robert Morss Lovett, Edgar Lee Masters, Ralph Roeder, Isabel Walker Soule, Sigmund Spaeth, Donald Ogden Stewart, Deems Taylor, Jim Tully, Richard Wright and 300 others could not break through the boycott the press has placed on anti-war news.

## **Housing and Defense**

THREE years ago Congress authorized a loan of \$800 million for a low-rent public housing program. So far 12,716 dwellings, now occupied, have been built of the projected 145,646 dwellings. By the amendments to the housing act under the Vinson Bill, the 90% of the dwellings still to be built or now under construction will not be used as originally intended. They will be used for war purposes (barracks) or in connection with defense industries.



## Negroes vs. the Army

SEVERAL hundred Negro workers, employed by the U. S. Army on dredges in the Memphis, Tenn. district were organized last spring by the National Maritime Union. The Negroes had many grievances: Deductions in pay were made for meals not eaten, they were refused efficiency ratings, they were worked overtime without extra pay. But when the union attempted to take up these grievances with the District Engineer's office, it was refused a hearing, the men were prohibited from holding meetings on dredges.

The Negro workers wrote letters of complaint to members of Congress from Tenn. For exercising their right to petition, five workers were fired.

The National Negro Congress was informed of this discrimination by Joseph Curran, President of the NMU. John P. Davis, national secretary of the Congress, demanded a hearing, later went to Memphis to present the union's case to Major A. T. Moore.

Result: The five dismissed men were taken back to work; overtime was abolished; deductions for meals not eaten were eliminated; men will receive efficiency ratings; the union again holds meetings aboard dredges. And union leaders, Negro and white, have promised the formation of a Negro Congress Council in Memphis within the next month.

## N. Y. Times, Unfair to Labor

THE New York Times was found guilty of unfair labor practice in Trial Examiner Tilford Dudley's report. Throughout the hearings the Times suppressed the story, although there were many sensations, including the charge that the Times had an espionage system to betray employees who favored the formation of a union.

When the appeal against the examiner's recommendation was taken under advisement by the NLRB, the Times reported this in a 2-inch story on page 32, next to the ads under "Places to Dine."

Edwin S. Smith, member of the NLRB, has been asked to disqualify himself because he had previously said: "For business reasons the local papers are sure to be closely allied with the employers' interest, so that labor's side of an industrial controversy gets no adequate publicity. News stories and editorial comment favorable to the employer daily agitate the flame of anti-union sentiment."

The Times claims it has a good labor record; the Newspaper Guild claims the Times fights unionization.

## Franco's Spain

FOUR YEARS have passed since the Spanish people took up arms against fascism and invasion. The democratic government was defeated. Spain is now a totalitarian state. What are conditions under Franco?

The Franco agrarian "reform" took away land, their means of livelihood, from thousands of Spanish peasants. Land previously received by peasants from the Republic was turned over to former owners. Peasants are forced to pay large owners rent for the last three years. Part of the land has been handed over to the Italians.

Acute shortage of wheat has forced

## Press and Utilities Join

In Missouri, the National Electric Light Association boasted it got its propaganda into 699 of the state's 700 papers. In Georgia only 4 out of 250 papers favored public ownership, the rest were for the utilities. In Ohio 625 out of 700 papers were corrupted. The names of these papers are listed by the hundred in the congressional reports.

In return for the major part of the \$25,000,000 a year bribe, the newspapers helped Insull, Willkie, Albert Wiggin of Chase National, J. P. Morgan & Co., Owen D. Young of Mohawk-Hudson Power, the International Power and Paper Co., etc., by:

1. Attacking the U. S. government policy re power and light;
2. Attacking Muscle Shoals and Boulder Dam Bills;
3. Attacking and trying to defeat Senators and Congressmen opposing private control of power;
4. Attacking state bills regulating power corporations;
5. Publishing false and misleading information concerning the operation of municipal and national power and light plants;
6. Creating a Red scare whenever private corporation profits were involved; charging "socialism" and "communism" whenever public ownership was advocated.

## They Don't Print That

The exposure of the utility plot against American public opinion did not get much space in the press. Washington correspondents who could not get the truth published by their papers wrote elsewhere:

"The electric power industry has conspired to corrupt the public mind . . . The biggest news story since Teapot Dome has been played down by news services (Associated Press, United Press, International News) and newspapers . . . The very wealthy and very dull Washington Star with 36 pages carried not a line (of the hearings) . . . high priced efforts to suppress them (disclosures) . . . feebleness or venality of the newspapers . . . It breaks my reporter's heart to see such a sizzling story going to waste. . . ."

President Roosevelt in a statement charged that the privately owned utility corporations engaged "in a systematic campaign of misinformation, of propaganda . . . of lies and falsehoods."

A friend of President Roosevelt's informed IN FACT that following the word "falsehood," the original statement concluded with the words "in the press." This phrase was eliminated because the President still thought he could get newspaper support. He never got it. The best part of the \$25,000,000 annual utilities fund to form and corrupt opinion was spent on the newspapers.

## 2 Papers Expose Willkie

"It is incredible to us that the Republican Party would run for President a public utility magnate whose only distinction is that he is a public utility magnate . . . Mr. Willkie has always been the able and efficient servant of big business, private capital, wealth. . ." This editorial quotation is from the Patterson's Daily News. This paper incidentally, provided a "battle page" in '36 permitting both parties to give their views. This page was offered free to America's 2,000 dailies, but only 13 took it. The rest did not want to devote even one page to giving both sides.

PM, New York's new daily, concluded its coverage of the Philadelphia convention with an exposure of the economic intimidation which helped name Willkie. It declared that Dewey had told friends and newspapermen that leading bankers and industrialists from all parts of the country had sent telegrams to delegates telling them to vote for Willkie "or else." There were cases where hometown bankers held delegates' notes, mortgages: telegrams signed by them were in the nature of coercion.

## Coughlin Endorses Willkie

When Willkie was asked by a Jewish daily paper about his attitude toward anti-Semitism, he replied:

"I consider anti-Semitism in America as a possible criminal movement and every anti-Semite as a possible traitor to America. . . . If anti-Semitism should spread its roots in the United States as it has done in most countries of Europe, then it would definitely be a calamity for the United States. It would mean that the main foundations on which our country has been built are beginning to shake."

Yet the same week that Willkie was nominated, he was proposed for the Presidency by Father Coughlin who was repudiated by Cardinal Mundelein, and by Alfred E. Smith. Coughlin has been denounced by Protestants, Catholics, and Jews as America's No. 1 Anti-Semite. The World-Telegram, a leading Willkie paper, declared on April 1, 1939 that thousands have been enlisted "as allies and instruments of Nazi anti-Jewish propaganda . . . thanks to Father Coughlin."

Willkie's denunciation of anti-Semitism is meaningless without a repudiation and denunciation of Coughlin's support. Otherwise, his statement on anti-Semitism is not sincere, only good politics.

## Congress of American Youth

The American Youth Congress complains bitterly of its treatment in the nation's press, declaring that its every move was misrepresented and distorted in the attempt to pin the label Red on the organization.

One misrepresentation noted by IN FACT's on-the-spot reporter: When the Tunney delegates were refused admission to the Congress on July 4, all reporters were present, all had copies of the Call to the Youth Congress which explicitly gave the deadline for registration as June 24. The reporters knew that Tunney had not abided by the rules of the Congress. Yet the refusal to admit delegates without proper credentials was treated not as in conformance with rules announced publicly weeks in advance, but as a controversial matter. The press declared "it is alleged" that the Tunney group did not possess proper credentials; yet there was nothing "alleged" about the failure of the Tunney faction to register. It was a fact.

At the Congress, girls at the registration desk were threatened by "youths" who were drunk and who had reached the ripe age of 40 and above. These "youths" proved so provocative that it was necessary to provide guards for the young girls busy checking credentials.

## Big Business Strikes Against Defense

Considerable activity precluded the recent administration decision to allow new plants producing materials for defense to write off the cost of the plant in 5 years time. The usual and normal write-off for depreciation and obsolescence in this country is 16 years. But big business staged a sit-down strike, refusing to build plants for national defense unless they could write off the costs in 4 years. They claimed that the end of the war would see idle plants, therefore they demanded the extremely rapid rate of depreciation, four times as fast as normal, or they would not defend America. Of course, if depreciation is allowed to be taken in such huge amounts, paper profits are cut, the federal government collects no excess profits tax or taxes on super profits, whereas the companies continue to make high profits in actuality.

Those with the Fifth Column attitude of no defense without huge profits won the day—with a compromise of 5 years instead of the 4 they desired, the 16 that was normal. The argument that the war would end and their plants would then stand idle is of course fallacious—a German victory will mean re-arming for America over many years; a British victory will mean a long war, huge munition orders from abroad as well as at home.

The 5-year compromise is rationalized in some circles on the ground that it is politically necessary so that the administration can show the existence of defensive weapons by November. How the plants can be built, let alone put into operation by November—even with a 5-year write-off allowed—remains unexplained.

Others say that those writing off depreciation in 5 years will be unable to compete with old plants with lower depreciation costs. This is ridiculous, since 1. competitive bidding has been discontinued; 2. no check is made over contracts placed by the Defense Commission, which can award contracts to anyone and at any price it pleases; 3. new plants will presumably be built in industries where existing plants are inadequate for defense plans—and hence no competition will exist.

Big business in Great Britain sabotaged defense plans for years trying to squeeze more profits from orders. The big business interests in this nation seem ready to pursue the same course—in the interest of making more money.

the cutting of the daily bread ration from 250 grams to 125 grams. Eighty per cent of Spain's population now goes hungry. In smaller places, like Almerin and Murcia, bread is not sold for weeks on end. Meat, butter, and tea have disappeared; when they are offered in small amounts, prices are prohibitive.

The present milk output covers only one quarter of the annual consumption. Extensive profiteering has appeared. Prices on so-called free markets have soared incredibly while the "regulated" market is without adequate supplies. The cost of living has become inordinately high, though wages have sunk. The average worker's wage is 7 or 8 pesetas a day. A pair of shoes costs 45 pesetas, stockings 7 to 15 pesetas.

Despite the huge war casualties, the large standing army, the million Spaniards in concentration camps, and the 400,000 in exile, the unemployed total over 1,250,000.

## U. S. Aids Hitler

HIGH officials in the U. S. State Department betray democracy every day by refusing visas for non-political as well as anti-fascist refugees in foreign prison camps, particularly in France.

When the League of American Writers recently requested the State Department to rescue noted writers from Hitler terror, it was turned down. Moreover, the League learned that American officials have been putting severe pressure on Bolivia and Chile to force these countries to cancel offers to admit several writer refugees.

The State Department permitted the entry into this country of Lady Mendl who arrived by Clipper. Some days later, Lady Mendl's two dogs arrived on an overcrowded refugee ship which had been forced to leave many applicants behind. The dogs were accompanied by her ladyship's secretary.

## Spanish for Defense

RESERVE officers have received official letters ordering those who speak Spanish to report to their local corps officers where they will fill out certain questionnaires.

Spanish is the language of Mexico, Central America, South America.

## He too, WAS a newspaper ostrich!



You know the kind—always having their heads buried in newspapers—believing nearly everything they read, saying the press is objective and serving the interests of the people—and anything said against the press is propaganda.

How many people do you know that way?

Why not make it your business to speak to your friends or neighbors who may be newspaper ostriches. Get them to subscribe for the special introductory offer to IN FACT—25c for 10 months (22 issues).

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